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ROMNEY ANNOUNCES \$74.5 MILLION FOR STATEWIDE HOUSING

Grants, loans, tax credits to create and preserve more than 1,600 homes

SALEM – Pledging to increase the supply of housing across the Commonwealth, Governor Mitt Romney today awarded nearly \$75 million worth of grants, loans and low-income housing tax credits to create and preserve 1,631 rental homes in 21 communities across the Commonwealth.

“This significant commitment of state and federal resources, along with millions of private investment dollars generated through the sale of tax credits, will increase the availability of housing for thousands of Massachusetts families,” said Romney. “Through this blend of resources, we can help ease our housing supply shortage while ensuring long-term, economic prosperity for our state.”

Approximately \$51 million of the funds announced will be generated through private investment in exchange for 10 years of state administered federal Low Income Housing Tax Credits (LIHTC). Another \$23.65 million will be administered from the state Department of Housing and Community Development’s (DHCD) Housing Stabilization Fund (HSF), Capital Improvement and Preservation Fund (CIPF), Facilities Consolidation Fund (FCF), HOME program and the Housing Innovations Fund (HIF).

Each of the programs is designed to serve developers who produce housing for income eligible seniors, families, individuals and special needs residents across the state.

Romney, who was accompanied at the announcement by Mayor Stanley Usovicz, made the announcement in front of the Salem Heights Apartments, where \$1.75 million will be used to help preserve the long-term affordability of 227 apartments at that development.

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The Salem Heights award is from the state's Capital Improvement and Preservation Fund (CIPF), a bond funded program used to preserve housing in developments that were originally financed by the federal government in the 1970s. As those 25 and 30-year mortgages expire, owners have the option of converting the affordable rate units into market rates.

The CIPF grant will allow Preservation of Affordable Housing, Inc. (POAH), a national non-profit organization, to purchase Salem Heights, retaining its affordability for the next century and complete renovations at the two high-rise buildings that house a total of 283 apartments.

"Over the past two years, the City of Salem has gone to court to prevent these units from going to market rate. With this state funding, 227 families will be allowed to remain in their homes. Along with the hundreds of units we have created in downtown Salem, we have gone a long way to solving the housing crunch in this city," said Mayor Usovicz.

The quasi-public agency, Massachusetts Housing Partnership is also providing \$7.2 million in direct financing for Salem Heights and another \$18 million generated through the sale of tax-exempt bonds issued by MassDevelopment. These bonds are backed by letters of credit from Fleet's Community Investment Group, Banknorth and the Federal Home Loan Bank, resulting in the new owner being able to obtain the lowest possible long-term interest rate.

In addition, Romney said, the Salem Harbor Community Development Corporation was awarded \$750,000 from the Housing Stabilization Fund (HSF) and \$373,249 in federal LIHTCs, which will generate nearly \$2.8 million in investor equity over 10 years, for the development of Salem Point Rentals – 61 apartments, of which 56 will be affordable to low- and moderate-income households.

"Given the current state of the economy, retaining the affordability of developments like Salem Heights is more critical than ever for the Commonwealth," said DHCD Director Jane Wallis Gumble. "These various resources allow us to continue serving the core housing needs of low- and moderate-income families."

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Complete award list attached.

<u>Project Name/Community</u>	<u>Developer</u>	<u>Total Units/ Affordable</u>	<u>Program/ Grant Amounts</u>	
Boston YWCA/Boston	YWCA of Boston	188/79	Federal LIHTC HOME HIF	\$1,000,000 (7,500,000) ¹ \$750,000 \$500,000
Mishawum Assisted Living/ Boston	Mishawum Development	66/33	HOME	\$750,000
Banton Apartments/ Boston	Connelly Construction	14/ 14	HOME	\$550,000
Columbia West Apts./ Boston	New Communities	46/46	HOME FCF	\$750,000 \$500,000
1392 House/ Boston	Viet Aid	12/12	HOME HIF	\$480,000 \$500,000
Meridian House/ E. Boston	North Suffolk Mental Health	30/30	HSF	\$600,000
Maverick Gardens Phase I/ E. Boston	Trinity Financial	150/116	HOME	\$ 750,000
Bickford Street/ Boston	Jamaica Plain Neighborhood Dev. Corp.	56/56	HSF HIF	\$750,000 \$750,000
2055 Columbus Avenue/ Boston	Rogerson Communities/ Real Resources	44/44	Federal LIHTC HOME	\$613,800 (4,603,500) ¹ \$500,000
Amory Street/ Boston	Urban Edge	64/64	Federal LIHTC HOME	\$892,800 (6,696,000) ¹ \$750,000
St. Aidan's/ Brookline	Archdiocese of Boston	20/20	Federal LIHTC HOME	\$279,000 (2,092,500) ¹ \$750,000
Scouting Way/Cambridge	Just-A-Start	13/11	HOME	\$550,000
Third & Fifth Streets/ Fall River	The Community Builders	9/9	Federal LIHTC HOME	\$125,550 (941,625) ¹ \$450,000
147 Essex Street/ Gloucester	Cape Ann Housing Opps.	39/39	Federal LIHTC HOME	\$544,050 (4,080,375) ¹ \$750,000

<u>Project Name/Community</u>	<u>Developer</u>	<u>Total Units/ Affordable</u>	<u>Program/ Grant Amounts</u>	
Haverhill Street Transitional/ Lawrence	YWCA of Greater Lawrence	20/20	Federal LIHTC HOME HIF	\$279,000 (2,092,500) ¹ \$550,000 \$750,000
New Hope Apartments/ Lowell	House of Hope	11/11	HSF HIF	\$550,000 \$500,000
Sewall Apartments/Marblehead	Marblehead Community Housing Corp.	4/4	HSF	\$260,000
The Moltenbrey/ Montague	Rural Development, Inc/	26/26	Federal LIHTC HOME	\$245,621 (1,842,175) ¹ \$715,000
Coffin Lofts/ New Bedford	Hall Keen	18/11	HOME	\$550,000
Go West SRO/Northampton	Valley CDC	20/20	HSF HIF FCF	\$750,000 \$500,000 \$178,300
Aidylberg II/Oak Bluffs	Island Elderly	5/5	HIF	\$150,000
Woodside Village VI/Oak Bluffs	Island Elderly	9/9	HSF	\$270,000
756 Lowell Street/Peabody	Riverside Community Care	5/5	HSF	\$198,286
Capitol Square/Pittsfield	Berkshire Housing Dev. Group	68/67	Federal LIHTC HOME	\$573,973 (4,304,797) ¹ \$750,000
Salem Heights/Salem	Preservation of Affordable Housing	283/227	CIPF	\$1,750,000
Salem Point Rentals/Salem	Salem Harbor CDC	61/56	Federal LIHTC HSF	\$373,249 (2,799,3675) ¹ \$750,000
New Court Terrace/Springfield	HAP, Inc.	45/45	Federal LIHTC	\$127,248 (954,360) ¹
Robertson on the River/Taunton	WEIR Corp.	64/64	Federal LIHTC HSF	\$806,496 (6,048,720) ¹ \$750,000

<u>Project Name/Community</u>	<u>Developer</u>	<u>Total Units/ Affordable</u>	<u>Program/ Grant Amounts</u>	
Hillside Village/Ware	Meredith Management	80/76	Federal LIHTC HOME	\$684,912 (5,136,840) ¹ \$715,000
Woods at Wareham/Wareham	Hall Keen	100/100	Federal LIHTC	\$250,000 (1,875,000) ¹
105 Linden Street/Winchedon	North Central Human Services, Inc.	6/6	HSF FCF	\$171,893 \$273,318
Operation Safe Quarters/Worcester	Massachusetts Veterans, Inc.	10/10	HSF	\$443,517
Channing Terrace/Worcester	S-C Management Corp.	45/45	HSF	\$750,000

NOTE: ¹ Federal Low Income Housing Tax Credits are awarded for a 10 year period. The tax credits are sold to investors in today's market for approximately \$.75 on the dollar who then utilize those credits for the next 10 years. The tax credit value is calculated by multiplying the tax credit award by ten (years) and multiplied again by the market rate of \$.75.